



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

MEMORANDUM FOR: Steven A. Musher  
Associate Chief Counsel (International)

FROM: Matthew W. Frank, APA Program Director

DATE: July 24, 2007

SUBJECT: APA Quarterly Report for FY 2007,  
Third Quarter Ending 06/30/07

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The following are the APA Program's results for the third quarter of FY 2007 ("Q3").

**APAs Completed**

The APA Program completed 23 APA matters in Q3, consisting of 13 bilateral APA matters and 10 unilateral APA matters.

**Negotiating-Position Papers**

The APA Program completed 19 bilateral negotiating position papers in Q3.

**Annual Reports**

The APA Program completed its review of and closed 64 annual reports in Q3.

**New Matters**

The APA Program received 22 new APA matters in Q3, including 16 bilateral matters and 7 unilateral APA matters. There were 3 withdrawals during Q3.

**APA Inventory**

The APA Program has an ending inventory of 242 open matters.<sup>1</sup> This consists of 207 bilateral and 35 unilateral matters.<sup>2</sup>

Attached for your information is the APA issuance report and open inventory reports as of June 30, 2007. Please contact me at (202) 435-5222 if any additional information is required.

Respectfully submitted,

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Matthew W. Frank  
APA Program Director

Attachments

cc: LMSB Commissioner  
Director, International  
National Director of Appeals  
LMSB Division Counsel

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1. This equals beginning Q3 inventory of 245 matters, plus 23 receipts, less 23 closures and 3 withdrawals  $\{245 + 23 - 23 - 3 = 242\}$ .
  2. The 242 open matters include 10 pending dollar filings (6 bilateral and 4 unilateral). Thus
    - The APA Program has an inventory of 232 active cases, i.e., 242 open matters less 10 pending dollar filings.
    - The 232 active cases consist of 201 bilateral cases (207 total bilateral matters less 6 pending bilateral dollar filings) and 31 unilateral cases (35 total unilateral matters less 4 pending unilateral dollar filings).
    - The APA Program has forwarded 115 of the 201 active bilateral matters to Competent Authority. Thus, the APA Program has a current working inventory of 116 cases, consisting of 86 bilateral

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(201 active bilateral cases less 115 forwarded to Competent Authority) and 31 active unilateral cases.